

2019 Costco Wholesale Packaging Archives

3. Increase The Recyclability and Compostability of All Packaging

Polystyrene Replacement

Recyclability and compostability can be increased through the elimination of polystyrene (commonly known as Styrofoam®). This has been a long-term effort that includes:

- Costco has made a 10-year effort to eliminate expanded polystyrene from inner packing materials and replace it with recyclable or compostable fiber-based options. This continues to be a focus area.
- Costco switched the fresh chicken packaging from polystyrene trays to saddle-pack bags. This solution uses less plastic and allows more efficient packaging.

Recyclability

Recyclability is complicated. To be considered “recyclable,” various rules, regulations, and guidelines require the product to be “widely recyclable,” meaning at least 60% (or more depending upon the geographic area) of the population has access to recycle the packaging. We also recognize widely recyclable packaging is dependent upon the availability of recycling infrastructure streams, which are inconsistent. This underscores the need for a multifaceted approach to recyclability.

We are starting where we can directly make an impact and, as of 2019, the following are some examples of our improvements in recyclability:

- In Korea, we changed fresh meat trays to meet local recyclability standards.
- In Canada, we changed fresh deli containers from black plastic to clear plastic to meet local recyclability standards.

Costco currently uses clamshell packaging for some of its fresh bakery and fresh produce items. These clamshells reduce food waste by providing longer shelf life and easier storage. While this packaging is made of plastic content that can be recycled, it is not necessarily widely recyclable. We are continuing to explore alternatives that will reduce the amount of plastic, while also providing a longer shelf life to reduce food waste.

Compostability

Costco continues to expand the use of compostable packaging. We also recognize that single-use plastic is a worldwide concern and are exploring opportunities to replace those items with alternative materials. As of 2019, we have:

- Replaced straws in all U.S. locations with compostable plastic or paper straws. We continue to replace straws and food service packaging in many locations around the world. This initiative replaces over 140 million plastic straws annually.
- In Japan, provided compostable packaging for all food court packaging.
- In Korea, provided compostable packaging for all food court cups and straws.
- Explored replacing straws with redesigned lids in some locations.
- Used compostable fresh meat packaging in Mexico and in some U.S. locations.
- Used compostable bags in the Canada fresh meat department.

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The Importance of Recyclability – and the Challenges

In the past several years, recycling and recyclable packaging have received a lot of attention. We understand that inconsistencies in the recycling process and service levels from place to place have contributed to confusion and distrust in the viability of recycling.

Many members and the general public were surprised to learn that recycling, at least in the U.S. and Mexico, is typically a private enterprise, and not a public service. In Canada, extended producer responsibility is mandated by regulations where curbside “blue box” programs are offered to the majority of the population and run by public and/or private enterprise, and paid for by the consumer and/or retailer. This means recycling is also dependent on market forces.

On January 1, 2018, global market forces were severely impacted when China banned the import of plastics for recycling, which accounted for 70% of global recycling, turning a revenue stream to an added cost for many global recyclers. Those items that recycling services can sell for materials recovery are what gets collected. If they cannot sell the used packaging, those items end up in the landfill and are suspended from collection. For recycling to improve, investment in recycling businesses and infrastructure is needed.

To be considered “recyclable,” various rules, regulations and guidelines require that the product be “widely recyclable,” meaning at least 50% (or more depending upon the geographic area) of the population has access to recycle the packaging. We also recognize widely recyclable packaging is dependent upon the availability of recycling infrastructure streams, which are inconsistent. This underscores the need for a multifaceted approach to recyclability.

Designing recyclable packaging is critical to creating a supply of recycled materials. We also want to provide an opportunity for our members to recycle by providing them with responsible

choices in our packaging solutions. Recycling promotes a circular process where materials can be used more than once before reaching the end of life.

To assist us on our path to make our packaging recyclable, this year Costco joined the APR, [Association of Plastics Recyclers](#), to support and learn how to improve recycling of our items, to support the industry that is a key driver of recovery of materials and to work toward meeting global requirements.

Additionally, our membership in the [Sustainable Packaging Coalition](#) and expansion of the [How2Recycle](#)® label on our packaging, helps us to analyze the recyclability of a package and communicate the proper sortation to our members.

Progress to Date - Recyclability

We continue to make progress in increasing our recyclable packaging. Many of our packages have been recyclable for some time. Please view our [2019 increase of recyclable content](#) summary. Examples of our progress in 2020 include:

- In **Australia**, seven fresh meat trays were converted into recyclable packaging, as well as sourced locally.
- In **Spain**, three bakery containers were converted into recyclable packaging.
- In **Japan**, seven bakery containers were converted into recyclable packaging.
- In **Australia**, two containers for the service deli were updated to recyclable packaging.
- In the **UK**, 11 service deli containers were converted into recyclable packaging and labeled for local sorting.
- In the **U.S.** two of our fresh apple product containers were converted into recyclable corrugated packaging.
- Kirkland Signature Plant-Powered Ultra Premium Dish Liquid corrugated bottle-holders are now recyclable.

In sum, in 2020 over 30 new items are now recyclable.

Costco also recycles a great deal of packaging in our daily operations and diverts over a half million tons of packaging annually. Please see our [Waste Minimization](#) page. This was an increase of 15.7% in 2020 from 2019.

Polystyrene

As part of Costco's multi-year effort to address materials that are difficult to recycle, our **UK** supply chain has replaced Styrofoam® containers used to deliver fresh salmon and trout to warehouse meat departments with corrugated cardboard boxes that can be recycled. In addition to reducing the amount of packaging going to landfills, this change increased efficiencies in storage and delivery. It also resulted in 80 fewer truckloads of material to landfills annually.

Additionally, our **global** in-house operational recycling of other Styrofoam® products has increased by 15.8% in 2020.

Importance of Compostability

Costco continues to expand the use of compostable packaging. We also recognize that single-use plastic is a worldwide concern and are exploring opportunities to replace those items with alternative materials. Additionally, we understand that access to industrial composting is limited for our members. With that in mind, we have determined that locations where we have control of the wastes are the best opportunity to ensure that these items get composted. We have made a lot of progress in our Food Court packaging globally and continue to seek solutions for the remaining food service items to help reduce single-use plastic.

Progress to Date - Compostability

We continue to review and test available options across the company for opportunities to replace challenging materials. Please review our [2019 expansion of compostability](#) summary. In 2020 we continued to expand and 6.25 million pounds of compostable food service packaging was implemented globally.

- **Australia** now has compostable straws, plates and paper bags.
- **Canada** now carries paper bags at its food courts.
- **Spain** has implemented compostable straws, bowls, coffee cups and cutlery.
- **Iceland** now has compostable straws, ice cream cups and paper hotdog trays.
- **Japan** has implemented 11 compostable food service packaging items.
- **South Korea** now has compostable straws and pulp bowls.
- The **U.S.** is currently implementing or has completed implementation of compostable food service packaging across the country.

In **Canada**, our supplier Club Coffee developed a certified, industrially compostable coffee pod and worked with the [Canadian Council of Ministers of the Environment](#) (CCME) and the [Ontario government](#) to develop needed support systems to accommodate the growing demand for compostable facilities.

We are hopeful that as the world moves forward to combat climate change, other municipalities and suppliers will work together to create and support composting facilities. These facilities divert organic waste from landfills and reduce greenhouse gas emissions that result from food waste.